

LISTING APPLICATION TO
NEW YORK STOCK EXCHANGE, INC.

B-4042
April 2, 1974

McDONALD'S CORPORATION

53,526 ADDITIONAL SHARES OF
COMMON STOCK CONSISTING OF

48,350 ADDITIONAL SHARES OF COMMON STOCK TO BE ISSUED IN EXCHANGE FOR ALL OF THE ASSETS OF FOTOS ENTERPRISES, INC., FONEIDA, INC., J. F. FAMILY RESTAURANT, INC., J. F. TOWNHOUSE, INC., ENTERPRISE CONTROL, INC., ONEIDA ST. CORP., MEADOW ST. RESTAURANT CORP., FOTOS RESTAURANT CORP., AND ROUTE 5 HERKIMER CORP. AND

5,176 ADDITIONAL SHARES OF COMMON STOCK TO BE ISSUED IN EXCHANGE FOR ALL OF THE RESTAURANT ASSETS OF ALMA JEAN ISON d/b/a McDONALD'S IN BENTON HARBOR, MICHIGAN (A SOLE PROPRIETORSHIP).

Number of Shares of Common Stock Issued and Outstanding as of March 19, 1974	Number of Common Stockholders of Record as of March 19, 1974
39,741,639	21,165

DESCRIPTION OF TRANSACTIONS

Utica

Pursuant to an Agreement and Plan of Reorganization dated August 31, 1973 between McDonald's Corporation (the "Company") and Fotos Enterprises, Inc., Foneida, Inc., J. F. Family Restaurant, Inc., J. F. Townhouse, Inc., Enterprise Control, Inc., Oneida St. Corp., Meadow St. Restaurant Corp. and Fotos Restaurant Corp., and Route 5 Herkimer Corp. (the "Corporations") and James Fotos and George Koutsis, (the "Stockholders"), the Company has acquired all of the assets, both tangible and intangible of the Corporations.

The purchase price to be paid by the Company in exchange for the assets of the Corporations is 48,350 shares of its Common Stock, determined by dividing \$3,225,000 (plus any cash, notes and accounts receivable, current inventories prepaid expenses received by the Company less certain liabilities owed by the Corporations) by \$65.15.

The Company will retain 4,835 shares of the stock so issued in escrow for two years to secure it against any breach by the Corporations or by the Stockholders of any warranty, representation or agreement made by them in connection with the transaction described herein. The Stockholders will be entitled to receive all dividends and other distributions on, and to exercise all voting rights with respect to the shares so retained in escrow. Shares not distributed shall be cancelled.

Included In Exhibit A hereto is a brief description of history and business of the Corporations and in Exhibit B hereto, the recent financial statement of the Corporations.

Benton Harbor

Pursuant to a Purchase Agreement dated July 26, 1972 between McDonald's Corporation (the "Company") and Alma Jean Ison ("Ison"), the Company has acquired all of the assets, both tangible and intangible relating to the operation of a McDonald's restaurant located at 1681 Highway #159, Benton Harbor, Michigan.

The purchase price to be paid by the Company in exchange for those restaurant assets of Ison consists of a number of shares of its common stock determined by dividing \$315,000 (plus or minus certain amounts as provided in the Agreement) by \$58.2625.

The Company will retain 518 shares of the Stock so issued in escrow for two years to secure it against any breach by Ison of any warranty, representation or agreement made by Ison in connection with the transaction described herein. Ison will be entitled to receive all dividends and other distributions on, and to exercise all voting rights with respect to the shares so retained in escrow. Shares not distributed shall be cancelled.

Included in Exhibit A hereto is a brief description of the history and business of the restaurant acquired from Ison and in Exhibit B hereto, the recent financial statement of the business.

PURPOSE OF ACQUISITIONS

The Company believes that the acquisitions are desirable because it will enable the Company to operate directly, rather than through licensees, a number of McDonald's restaurants whose proximity makes possible more economical and efficient operation.

Prior to the commencement of negotiations in connection with the transactions, the Company, through certain of its officers, employees and agents, investigated the financial condition, properties, management and markets of the Companies and the value of the stock and assets which were to be acquired. The Agreements were entered into as a result of arms-length negotiations. The purchase price agreed upon was based upon the underlying value of the assets and earning power of the acquired Companies. No officer, director or principal stockholder of the Company, or any of its subsidiaries, had any direct or indirect beneficial interest in any of the stock or assets being acquired.

For accounting purposes, the acquisitions will be treated as a pooling of interests. Such accounting treatment has been reviewed and approved by Arthur Young & Company, the Company's Independent Certified Public Accountants, as being in accordance with generally accepted accounting principles.

RECENT DEVELOPMENTS

Since the latest annual report of the Company, there have been no important developments affecting the Company or its business which have not received publicity.

AUTHORITY FOR ISSUANCE

On July 31, 1973 and October 2, 1973, respectively, the Board of Directors of the Company approved and ratified the terms of the Agreement for the Benton Harbor acquisition and the Utica acquisition and authorized the issuance of the Common Stock payable in connection therewith.

OPINION OF COUNSEL

Mr. Donald P. Horwitz, 2111 Enco Drive, Oak Brook, Illinois 60521, General Counsel of the Company, has given his opinion to the effect that (1) the issuance of the shares of Common Stock of the Company in connection with the acquisitions described above has been duly authorized; (2) when delivered either at closing or thereafter in connection with the aforesaid acquisitions, the shares of Common Stock of the Company will be validly issued, fully paid and non-assessable; and no personal liability will attach to the holding of such shares under the existing statutes of Delaware, the state in which the Company is incorporated, or under the existing statutes of Illinois, the state in which the Company's principal office is located; (3) registration of the shares of Common Stock to be issued is not required under the Securities Act of 1933, as amended, because the issuance and delivery of such shares in connection with such acquisitions will be in connection with a transaction not involving a public offering under Section 4(2) of such Act; and (4) registration of the shares of Common Stock to be issued is not required under the Securities Exchange Act of 1934 because such shares are of a class previously registered under that Act.

McDONALD'S CORPORATION

By:

Richard J. Boylan,
Senior Executive Vice President

The New York Stock Exchange, Inc. hereby authorizes for listing, upon official notice of issuance, the following additional shares of Common Stock without par value, of McDonald's Corporation.

48,350 additional shares of Common Stock issuable in exchange for all of the assets of Fotos Enterprises, Inc., Foneida, Inc., J. F. Family Restaurant, Inc., J. F. Townhouse, Inc., Enterprise Control, Inc., Oneida St. Corp., Meadow St. Restaurant Corp., Fotos Restaurant Corp., and Route 5 Herkimer Corp. and

5,176 additional shares of Common Stock issuable in exchange for all of the assets relating to the McDonald's restaurant in Benton Harbor, Michigan, making a total of 41,801,402 shares of common stock authorized for listing.

MERLE S. WICK, Vice President
Division of Stock List

JAMES J. NEEDHAM, Chairman of the Board
New York Stock Exchange, Inc.

EXHIBITS

EXHIBIT A

HISTORY AND BUSINESS OF THE UTICA CORPORATIONS

Four of the Corporations each own and operate a McDonald's restaurant. Fotos Restaurant Corp. owned and operated two restaurants and Route 5 Herkimer Corp. held the underlying real estate at one of the restaurant locations. Oneida Street Corp. and Meadow Street Restaurant Corp. each own a McDonald's restaurant under development at the time of the acquisition. Enterprise Control, Inc. is a management company servicing the other Corporations all of which are located in the Utica, New York area.

HISTORY AND BUSINESS OF THE BENTON HARBOR RESTAURANT

The McDonald's restaurant in Benton Harbor, Michigan has been in operation since 1961.

EXHIBIT B

I, JAMES D. FOTOS, President of Fotos Enterprises, Inc., Foneida, Inc., J. F. Family Restaurant, Inc., J. F. Townhouse, Inc., Enterprise Control, Inc., Oneida St. Corp., Meadow St. Restaurant Corp. and Fotos Restaurant Corp., and Treasurer of Route 5 Herkimer Corp., hereby CERTIFY that I have examined the accompanying balance sheet of such Companies as of June 30, 1973 and the Statements of Income for the period ended June 30, 1973 and, in my opinion, such statements present fairly the financial position of said Companies on June 30, 1973, and the results of their operations for the periods indicated in accordance with generally accepted accounting principles applied on a consistent basis.

JAMES D. FOTOS

August 31, 1973

FOTOS ENTERPRISES, INC.

BALANCE SHEET

June 30, 1973

ASSETS

Current assets	
Cash	\$ 57,173
Accounts receivable	500
Inventory	12,848
Prepaid expenses	6,624
Notes receivable	<u>159,000</u>
Total current assets	<u>\$236,145</u>
Property, plant and equipment	
Buildings and leasehold improvements	48,850
Equipment and fixtures	<u>189,049</u>
	237,899
Less accumulated depreciation	<u>105,384</u>
Net property plant and equipment	<u>132,515</u>
Other: Franchise costs	8,000
Security deposits	<u>30,000</u>
Total assets	<u><u>\$406,660</u></u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities	
Accrued liabilities	\$ 27,835
Total current liabilities	<u>\$ 27,835</u>
Stockholders' equity	
Capital contribution	12,000
Retained earnings	<u>366,825</u>
Total liabilities and stockholders equity	<u><u>\$406,660</u></u>

FOTOS ENTERPRISES INC.

INCOME STATEMENT

Six Months Ending June 30, 1973

Revenues:	
Gross sales	\$578,022
Costs and expenses:	
Food and paper	230,519
Payroll	139,003
Rent	43,186
Depreciation and amortization	10,227
Selling, general and administrative expenses	108,890
Total costs and expenses	<u>\$531,825</u>
Net income (before provision for taxes)	<u>\$ 46,197</u>

FONEIDA, INC.

BALANCE SHEET

June 30, 1973

ASSETS

Current assets	
Cash	\$ 4,901
Inventory	6,701
Prepaid expenses	1,840
Notes receivable	4,000
Total current assets	<u>\$ 17,442</u>
Property, plant and equipment	
Equipment and fixtures	96,099
Less accumulated depreciation	<u>7,180</u>
Net property, plant and equipment	88,919
Franchise costs	4,000
Security deposits	<u>15,000</u>
Total assets	<u><u>\$125,361</u></u>

LIABILITIES AND STOCKHOLDERS EQUITY

Current liabilities	
Notes payable	\$140,000
Accrued liabilities	<u>5,310</u>
Total current liabilities	\$145,310
Stockholders equity	
Capital contribution	4,000
Retained earnings	(23,949)
Total liabilities and stockholders equity	<u><u>\$125,361</u></u>

FONEIDA, INC.

INCOME STATEMENT

Six Months Ending June 30, 1973

Revenues:	
Gross sales	\$206,057
Costs and expenses:	
Food and paper	81,280
Payroll	63,699
Rent	18,052
Depreciation and amortization	4,800
Selling, general and administrative expenses	41,320
Interest expense	4,129
Total costs and expenses	<u>\$213,280</u>
Net income (loss)	<u>\$ (7,223)</u>

J. F. FAMILY RESTAURANT

BALANCE SHEET

June 30, 1973

ASSETS

Current assets	
Cash	\$ 36,927
Notes receivable	4,000
Inventory	6,981
Prepaid expenses	888
Total current assets	<u>\$ 48,796</u>
Property plant and equipment	
Buildings and leasehold improvements	30,000
Equipment and fixtures	103,383
	<u>133,383</u>
Less accumulated depreciation	<u>40,212</u>
Net property, plant and equipment	93,171
Franchise costs	4,000
Security deposits	<u>15,000</u>
Total assets	<u><u>\$160,967</u></u>

LIABILITIES AND STOCKHOLDERS EQUITY

Current liabilities	
Accrued liabilities	\$ 10,413
Total current liabilities	<u>\$ 10,413</u>
Stockholders equity	
Capital stock	4,000
Retained earnings	<u>146,554</u>
Total liabilities and stockholders equity	<u><u>\$160,967</u></u>

J. F. FAMILY RESTAURANT, INC.

INCOME STATEMENT

Six Months Ending June 30, 1973

Revenues:	
Gross sales	\$344,325
Costs and expenses:	
Food and paper	136,560
Payroll	78,646
Rent	27,546
Depreciation and amortization	5,934
Selling, general and administrative expenses	64,607
Interest expense	760
Total costs and expenses	<u>\$314,053</u>
Net income (before provision for taxes)	<u>\$ 30,272</u>

J. F. TOWNHOUSE, INC.

BALANCE SHEET

June 30, 1973

ASSETS

Current assets	
Cash	\$ 10,141
Inventory	8,027
Prepaid expenses	6,595
Total current assets	<u>\$ 24,763</u>
Property, plant and equipment	
Equipment and fixtures	103,943
Less accumulated depreciation	<u>15,503</u>
Net property, plant and equipment	88,440
Franchise costs	4,000
Security deposit	<u>15,000</u>
Total assets	<u><u>\$132,203</u></u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities	
Notes payable	\$154,839
Accrued liabilities	<u>4,506</u>
Total current liabilities	\$159,345
Stockholders' equity	
Common stock	4,000
Retained earnings	<u>(31,142)</u>
Total liabilities and stockholders' equity	<u><u>\$132,203</u></u>

J. F. TOWNHOUSE, INC.

INCOME STATEMENT

Six Months Ending June 30, 1973

Revenues:

Gross sales	\$181,219
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Costs and expenses:

Food and paper	72,591
Payroll	49,516
Rent	19,950
Depreciation and amortization	5,160
Selling, general and administrative expenses	39,415
Interest expense	
Total costs and expenses	<u>\$186,632</u>

Net income (loss)	<u>\$ (5,413)</u>
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ENTERPRISE CONTROL

BALANCE SHEET

June 30, 1973

ASSETS

Current assets	
Cash	\$ 4,931
Receivables	51,906
Inventory	
Prepaid expenses	
Other	2,619
Total current assets	<u>\$ 59,456</u>
Property, plant and equipment	
Equipment	11,678
Less accumulated depreciation	4,645
Net property, plant and equipment	<u>7,033</u>
Total assets	<u><u>\$ 66,489</u></u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities	
Accounts payable	\$ 38,949
Accrued liabilities	15,265
Total current liabilities	<u>\$ 54,214</u>
Stockholders' equity	
Common stock	1,000
Retained earnings	11,275
Total liabilities and stockholders' equity	<u><u>\$ 66,489</u></u>

ENTERPRISE CONTROL

INCOME STATEMENT

December 30, 1973

Revenues:	
Service fees	\$215,111
Costs and expenses:	
Rent	2,520
Depreciation and amortization	1,433
Selling, general and administrative expenses	214,422
Interest expense	
Total costs and expenses	<u>\$218,375</u>
Net income (loss)	<u>\$ (3,264)</u>

ONEIDA ST. CORP.

BALANCE SHEET

June 30, 1973

ASSETS

Current assets	
Cash	\$27,930
Receivables	100
Inventory	
Prepaid expenses	327
Equipment deposits	<u>17,000</u>
Total current assets	
Property, plant and equipment	
Land	
Buildings—construction in progress	17,718
Equipment and fixtures	2,020
Franchise fees	4,000
Organization expense	358
Security deposit	<u>15,000</u>
Total assets	<u><u>\$84,453</u></u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities	
Notes payable	\$70,000
Accounts payable	<u>14,353</u>
Total current liabilities	\$84,353
Stockholders' equity	
Common stock	<u>100</u>
Total liabilities and stockholders' equity	<u><u>\$84,453</u></u>

MEADOW ST. RESTAURANT CORP.

BALANCE SHEET

June 30, 1973

ASSETS

Current assets	
Cash	\$23,493
Receivables	100
Inventory	
Prepaid expenses	1,014
Equipment deposits	<u>17,000</u>
Total current assets	\$41,607
Property, plant and equipment	
Buildings	8,500
Equipment and fixtures	1,141
Franchise fees	4,000
Organization expense	367
Security deposit	<u>15,000</u>
Total assets	<u>\$70,615</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities	
Notes payable	\$60,000
Accounts payable	<u>10,515</u>
Total current liabilities	\$70,515
Stockholders' equity	
Capital stock	<u>100</u>
Total liabilities and stockholders' equity	<u>\$70,615</u>

FOTOS RESTAURANT CORP.

BALANCE SHEET

June 30, 1973

ASSETS

Current assets	
Cash	\$ 33,124
Notes receivable	61,050
Inventory	6,284
Prepaid expenses	4,859
Total current assets	<u>\$105,317</u>
Property, plant and equipment	
Buildings and leasehold improvements	51,277
Equipment and fixtures	112,403
	<u>163,680</u>
Less accumulated depreciation	103,595
Net property, plant and equipment	60,085
Franchise costs	3,000
Security deposit	15,000
Total assets	<u><u>\$183,402</u></u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities	
Accrued liabilities	\$ 14,358
Total current liabilities	<u>\$ 14,358</u>
Stockholders' equity	
Capital stock	1,000
Retained earnings	168,044
Total liabilities and stockholders' equity	<u><u>\$183,402</u></u>

FOTOS RESTAURANT CORP.

INCOME STATEMENT

Six Months Ending June 30, 1973

Revenues:	
Gross sales	\$323,952
Costs and expenses:	
Food and paper	129,643
Payroll	74,074
Rent	20,997
Depreciation and amortization	6,254
Selling, general and administrative expenses	59,447
Total costs and expenses	<u>\$290,415</u>
Net income (before provision for taxes)	<u>\$ 33,537</u>

RT. 5 HERKIMER CORP.

BALANCE SHEET

December 30, 1973

Current assets	
Cash	\$ 3,266
Receivables	8,703
Inventory	
Prepaid expenses	490
Other	
Total current assets	<u>\$ 12,459</u>
Property, plant and equipment	
Land	80,000
Buildings and leasehold improvements	164,000
Less accumulated depreciation	<u>36,850</u>
	<u>\$207,150</u>
Other	
Total assets	<u><u>\$219,609</u></u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities	
Notes payable	\$ 69,000
Accounts payable	
Income taxes	
Accrued liabilities	117
Current maturities of long term debt	<u>9,289</u>
Total current liabilities	<u>\$ 78,406</u>
Long-term debt	135,959
Stockholders' equity	
Common stock	11,000
Retained earnings	<u>(5,756)</u>
Total liabilities and stockholders' equity	<u><u>\$219,609</u></u>

RT. 5 HERKIMER CORP.

INCOME STATEMENT

Six Months Ending June 30, 1973

Revenues:	
Rental income	\$ 11,250
Costs and expenses:	
Depreciation and amortization	4,100
Other operating expenses	349
Interest expense	4,684
Total costs and expenses	<u>\$ 9,133</u>
Net income (before provision for taxes)	<u><u>\$ 2,117</u></u>

The undersigned, doing business as a proprietorship in the operation of the McDonald's Restaurant at 1631 Highway #139, Benton Harbor, Michigan, certifies that the attached balance sheet as of June 30, 1973, and statement of income for the period indicated presents fairly the financial position as of said date and the results of operations for said period. Said statements have been prepared on the basis of generally accepted accounting principles consistently applied.

ALMA JEAN ISON

March 6, 1974

ALMA JEAN ISON

d/b/a—McDONALD'S CARRY-OUT RESTAURANT

(Benton Harbor, Mich.)

BALANCE SHEET

June 30, 1973

ASSETS

Current assets	
Cash	\$ 24,141
Receivables	1,174
Inventory	6,549
Prepaid expenses	1,071
Total current assets	<u>\$ 32,935</u>
Property, plant and equipment	
Buildings and leasehold improvements	90,000
Equipment and fixtures	78,000
	<u>168,000</u>
Less accumulated depreciation	1,465
	<u>166,535</u>
Other	121,054
Total assets	<u><u>\$320,524</u></u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities	
Accounts payable	\$ 27,769
Accrued liabilities	15,985
Total current liabilities	<u>\$ 43,754</u>
Stockholders' equity	
Capital contribution	272,462
Retained earnings	4,308
	<u><u>\$320,524</u></u>

ALMA JEAN ISON

d/b/a—McDONALD'S CARRY-OUT RESTAURANT
(Benton Harbor, Mich.)

INCOME STATEMENT

One Month Ending June 30, 1973

Revenues:	
Gross sales	\$53,982
Costs and expenses:	
Food and paper	21,863
Payroll	13,878
Rent	3,236
Depreciation and amortization	1,465
Selling, general and administrative	9,232
Total costs and expenses	<u>\$49,674</u>
Net income (before provision for taxes)	<u>\$ 4,308</u>

LA SALLE STREET

Chas. H. Smith
1891

